

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Mark Acton, Vice Chairman;
Tony L. Hammond; and
Nanci E. Langley

Mail Classification Schedule Change
(Priority Mail)

Docket No. MC2011-26

ORDER APPROVING MAIL CLASSIFICATION CHANGES

(Issued August 31, 2011)

On July 26, 2011, the Postal Service filed a notice of two classification changes pursuant to 39 CFR 3020.90 and 3020.91 concerning Priority Mail packaging.¹ The Commission accepts the classification changes described in the Postal Service's Notice and shall make conforming modifications to the draft Mail Classification Schedule (MCS).

Description of classification changes. First, the Postal Service proposes a change that clarifies that, for Priority Mail boxes, the size limitations for each type of box will be based on cube size rather than specific, distinct dimensions. The Postal Service asserts that use of cube-based size limitations will remove uncertainty in the marketplace regarding the box size limitations. *Id.* at 1.

¹ Notice of Minor Classification Changes, July 26, 2011 (Notice).

The second change adds a range of dimensions for Priority Mail Flat Rate Envelopes. *Id.* The Postal Service explains that the range will be more compatible with its Flat Rate Envelope packaging options for both retail and commercial customers. *Id.*

The Postal Service asserts that these changes will improve uniformity in the size limitation language in the MCS across all types of packaging and price categories within the Priority Mail product. It proposes conforming MCS language attached to its Notice. *Id.*

Comments. Comments were filed by the Public Representative.² No other interested person submitted comments. The Public Representative states that both Flat Rate Box and Flat Rate Envelope changes may increase customer packaging options. *Id.* at 2. He relates that the use of cube-sizing could also prompt changes on a large scale since many different sizes and shapes of boxes could have cube sizes that meet the dimensions for Flat Rate Boxes. However, even though significant additional sizes are possible, he expects the Postal Service to limit its expansion of box sizes. *Id.* The Public Representative contends that, if the Postal Service does make changes to box offerings available, there may be some impact on processing and transportation efficiency. He observes that currently one of the transportation contracts used by the Postal Service uses cubic feet for costing and offering boxes with different dimensions may negatively impact efficiency in use of pallets by contractors. *Id.* at 3.

The Public Representative recommends that the Commission approve the proposed classification changes. *Id.* at 1.

Commission analysis. Rule 3020.90 requires that the Postal Service is to ensure that product descriptions in the MCS accurately reflect its current offerings. Notices filed pursuant to rule 3020.90 *et seq.* must be relatively minor in nature and may not entail modifying either the market dominant or the competitive product list.

² Public Representative Comments on Postal Service Notice of Minor Classification Changes Concerning Priority Mail Packaging, August 4, 2011 (PR Comments).

The Postal Service's proposals do not constitute modifications of the product lists. The first change, cube-based size limits in lieu of specific dimensions, is consistent with mailing industry standards and promotes uniformity in its product offerings. The second change proposes a range of dimensions for Priority Mail Flat Rate Envelopes that promotes uniformity in Priority Mail product packaging offerings and clarifies the options available to retail and commercial customers. Notice at 1. The modifications to the descriptive language for Priority Mail products serve to clarify the size limitations for Priority Mail packaging. *Id.* As noted by the Public Representative, the changes increase customer packaging options. PR Comments at 2, 3.

Both proposals appear to be minor and should standardize the Priority Mail Flat Rate products' packaging options and improve the Postal Service's efficiency in product standards.

MCS language. The Postal Service's proposed MCS language uses the word "approximately" to describe the size of the various Flat Rate Boxes, e.g., "approximately ½ cu. ft." for the large Flat Rate Box. This language is too imprecise.

To eliminate this ambiguity, the Postal Service is directed to specify either a range of sizes or, at the very least, the maximum size for each type of Flat Rate Box, e.g. "not to exceed xx cu. ft." This revised MCS language is due no later than September 13, 2011.

The Postal Service's Notice did not state when the proposed changes will become effective. The Postal Service shall notify the Commission by September 13, 2011 of the effective date of both proposed changes.

In conclusion, upon review of the Notice and the comments received, the Commission finds that the proposed changes are in accordance with 39 CFR § 3020.90 *et seq.* and are consistent with 39 U.S.C. § 3642. The Commission accepts the classification changes specified in the Postal Service's Notice and shall make conforming modifications to the draft MCS.

It is ordered:

1. The proposed changes are in accordance with 39 CFR § 3020.90 *et seq.* and are not inconsistent with 39 U.S.C. § 3642.
2. The Postal Service shall provide the information as directed in the body of this Order no later than September 13, 2011.

By the Commission.

Shoshana M. Grove
Secretary